

RECORDATION NO. 24420 ✓ FILED

MAY 13 '04

11-22 AM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

May 12, 2004

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Commercial Security Agreement Modification Agreement, dated as of April 29, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Commercial Security which was previously filed with the Board under Recordation Number 24420.

The names and addresses of the parties to the enclosed document are:

Secured Party: First Mid-Illinois Bank and Trust
12616 State Route 143
Highland, Illinois 62249

Debtor: Midwest Railcar Corporation
3 Professional Park Drive, Suite B.
Maryville, Illinois 62062

A description of the railroad equipment covered by the enclosed document
is:

100 boxcars: KCS 749400 - KCS 749499.

A short summary of the document to appear in the index is:

Memorandum of Commercial Security Agreement Modification
Agreement.

Also enclosed is a check in the amount of \$30.00 payable to the order of
the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the
undersigned.

Very truly yours,

A handwritten signature in cursive script, appearing to read 'R. Alvord', written in dark ink.

Robert W. Alvord

RWA/anm
Enclosures

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT
MODIFICATION AGREEMENT**

dated April 29, 2004

by and between

**MIDWEST RAILCAR CORPORATION,
as Debtor**

and

**FIRST MID-ILLINOIS BANK & TRUST, NA
as Secured Party**

**MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT
MODIFICATION AGREEMENT**

THIS MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT MODIFICATION AGREEMENT (this "Agreement") is made this 29th day of April, 2004, by and between **MIDWEST RAILCAR CORPORATION**, an Illinois corporation ("the "Debtor"), and **FIRST MID-ILLINOIS BANK AND TRUST, NA**, a state-chartered Federal Reserve Member bank organized under the laws of the State of Illinois ("the Secured Party"), witnesseth:

RECITALS

- A. The Debtor and the Secured Party are parties to that certain Loan Agreement dated as of January 9, 2003 first amended May 30, 2003, and further amended March 5, 2004 (collectively, the "Loan Agreement"), pursuant to which the Secured Party agreed to extend to the Debtor a line of credit described in the Loan Agreement.
- B. To secure the Debtor's Obligations (as defined in the Loan Agreement) to the Secured Party, the Debtor executed and delivered to the Secured Party a Commercial Security Agreement dated as of January 2, 2003, pursuant to which the Borrower granted to the Bank a continuing, first priority security interest in and to, and lien on, certain railcars.
- C. A Memorandum of Commercial Security Agreement (the "Memorandum of Commercial Security Agreement") was filed and recorded with the Surface Transportation Board pursuant to 49 U.S.C 11301 (a) on April 23, 2003 at 4:01 p.m. under Recordation No. 24420.
- D. The Debtor subsequently purchased One Hundred (100) boxcars (collectively, the "Railcars") described on **Exhibit A** attached hereto.
- E. The Secured Party and the Debtor executed a Commercial Security Agreement Modification Agreement dated as of the date hereof pursuant to which the parties amended Schedule 1 to the Commercial Security Agreement by adding the car marks and numbers of the Railcars to the collateral listed therein.
- F. The Secured Party and the Debtor desire to amend certain provisions of the Memorandum of Commercial Security Agreement.

TERMS

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Secured Party and the Debtor hereby agree as follows:

- 1. The facts set forth above are true and accurate in each respect.
- 2. The Memorandum of Commercial Security Agreement is hereby amended as follows: **Exhibit A** attached to the Memorandum of Commercial Security Agreement is amended by adding the car marks and numbers of the Railcars.
- 3. The term "this Memorandum" as used in the Memorandum of Commercial Security Agreement shall mean the Memorandum of Commercial Security Agreement as modified herein unless the context clearly indicates or dictates a contrary meaning.

4. This Agreement may not be amended, changed, modified, altered, or terminated without in each instance the prior written consent of the Secured Party. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois.
5. This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one agreement.

(SIGNATURES APPEAR ON THE FOLLOWING PAGE)

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

WITNESS:

MIDWEST RAILCAR CORPORATION

By: 

Richard M. Murphy, III, President

WITNESS:

FIRST MID-ILLINOIS BANK AND TRUST, NA

By: 

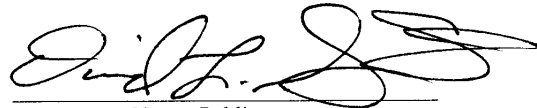
Gordon D. Smith, Community Bank President

STATE OF MA, City of Elk River

On this 29th day of April, 2004, before me, a Notary Public of the County and State aforesaid, personally appeared Richard M. Murphy, III, to me personally known, who being by me duly sworn, says that he is the President of Midwest Railcar Corporation, an Illinois corporation, that the seal affixed to the foregoing instrument is the seal of said association, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and the acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal

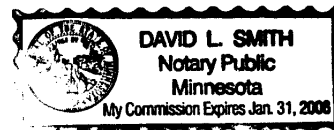
(Seal)



Notary Public

My commission expires:

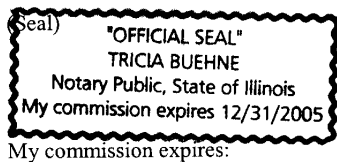
1-31-06



STATE OF ILLINOIS, County of Madison

On this 29th day of April, 2004, before me, a Notary Public of the County and State aforesaid, personally appeared Gordon D. Smith, to me personally known, who being by me duly sworn, says that he is a Community Bank President of FIRST MID-ILLINOIS BANK AND TRUST, NA, that the seal affixed to the foregoing instrument is the seal of First Mid-Illinois Bank and Trust, NA, that said instrument was signed and sealed on behalf of First Mid-Illinois Bank and Trust, NA by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of First Mid-Illinois Bank and Trust, NA.

AS WITNESS my hand and notarial seal



Tricia Buehne
Notary Public

EXHIBIT "A"
DESCRIPTION OF RAILCARS

One Hundred boxcars bearing reporting marks as follows:

Car Initial & Number		
KCS 749400	KCS 749447	KCS 749494
KCS 749401	KCS 749448	KCS 749495
KCS 749402	KCS 749449	KCS 749496
KCS 749403	KCS 749450	KCS 749497
KCS 749404	KCS 749451	KCS 749498
KCS 749405	KCS 749452	KCS 749499
KCS 749406	KCS 749453	
KCS 749407	KCS 749454	
KCS 749408	KCS 749455	
KCS 749409	KCS 749456	
KCS 749410	KCS 749457	
KCS 749411	KCS 749458	
KCS 749412	KCS 749459	
KCS 749413	KCS 749460	
KCS 749414	KCS 749461	
KCS 749415	KCS 749462	
KCS 749416	KCS 749463	
KCS 749417	KCS 749464	
KCS 749418	KCS 749465	
KCS 749419	KCS 749466	
KCS 749420	KCS 749467	
KCS 749421	KCS 749468	
KCS 749422	KCS 749469	
KCS 749423	KCS 749470	
KCS 749424	KCS 749471	
KCS 749425	KCS 749472	
KCS 749426	KCS 749473	
KCS 749427	KCS 749474	
KCS 749428	KCS 749475	
KCS 749429	KCS 749476	
KCS 749430	KCS 749477	
KCS 749431	KCS 749478	
KCS 749432	KCS 749479	
KCS 749433	KCS 749480	
KCS 749434	KCS 749481	
KCS 749435	KCS 749482	
KCS 749436	KCS 749483	
KCS 749437	KCS 749484	
KCS 749438	KCS 749485	
KCS 749439	KCS 749486	
KCS 749440	KCS 749487	
KCS 749441	KCS 749488	
KCS 749442	KCS 749489	
KCS 749443	KCS 749490	
KCS 749444	KCS 749491	
KCS 749445	KCS 749492	
KCS 749446	KCS 749493	